

**Minutes of the  
Utah Technology Industry Council Meeting  
Held May 26, 2005 at the DCED Offices**

In attendance were:

*Voting Members Present:*

Stan Lockhart	- Chair
Nancy Lyon	- University of Utah
Rod Linton	- Battelle
Rich Nelson	- UITA
Brad Bertoch	- Wayne Brown Institute
Paul Clayson	- NanoCoat
Martin Frey	- State of Utah-GOED
Brian Moss	- ULSA
Michael Paul	- GenData

*Other Attendees:*

Sharon Cox	- State of Utah-GOED
Tami Goetz	- SLCC
Lucille Stoddard	- Higher Ed Commissioner's Office

**Welcome:** The chairman called the meeting to order at 8:13am and welcomed all in attendance.

**Approval of Minutes:** The minutes of the last meeting were unanimously approved.

**Cluster Development:** Martin Frey presented an update on the development of the Cluster initiative, pointing out the three tier approach, ranking methodology and vetting process used to select the clusters. He then discussed each area on the clusters list which fell under the categories of Biotech, IT & Software Development, Aerospace, Defense & Homeland Security, Financial Services, Energy & Natural Resources and other enabling clusters such as Nanotechnology. Mr. Frey mentioned that the Governor will announce the Clusters on June 22<sup>nd</sup> at the Economic Summit as well as at the Technology@breakfast meeting on June 24<sup>th</sup> and again on July 15<sup>th</sup> to economic development officials and legislators. He stated that each cluster area will have a specific development plan around it.

Following Mr. Frey's presentation, lengthy discussion took place on the subject and the following thoughts were shared:

*Legislative strategy:* The list of clusters may be too long for the limited monies available. Prioritization and milestones should be established with funding objectives set to meet each milestone. Clusters should also have broad applicability across industry boundaries. These strategies may be more appealing to legislatures.

*Spread:* Clusters should be spread horizontally across areas and allow the market to decide where emphasis should be placed.

*Integration:* Integrate the clusters into current economic development activities taking place across the state. Example: the ILC cluster should integrate into ongoing efforts towards making Utah a VC and investment hub through initiatives such as the fund of funds and others.

*Cost analysis:* Rather than appoint administrative teams to promote each cluster which will amass excessive costs, an analysis should be conducted to decide where the greatest impacts will be and direct funds towards those areas.

**Tax Reform:** Paul Clayson raised the issue of tax reform. He pointed out that the Governor is heavily focused on this issue and that UTIC can be an effective advocate for reform in the areas of regulatory licensing, taxation and compensation, due to the fact the wages in the technology sector are so high above the average. Mr. Clayson shared his opinion that unless these underlying problems that affect businesses are addressed, clusters will not develop. Brian Moss stated his opposing opinion from the perspective of the Life Science industry, which is that clusters develop around intellectual bases and institutions rather than around tax and regulatory issues. Brad Bertoch also offered his opinion that the way to attract high technology businesses is to solve problems.

Following discussion on this subject, the following motion was proposed by Paul Clayson, seconded by Rich Nelson and unanimously passed by the Council:  
*MOTION: The fundamental goal and objective of UTIC is to raise the average wage in Utah through creation of more high tech jobs.* This is an important performance metric that will be tracked by UTIC and GOED to measure progress on a regular basis.

**Other Business:** The chairman reminded the members of the upcoming UTC/UTIC joint meeting where he will present a report on UTIC for the past 6 months.

**Next Meeting:** The next meeting was tentatively scheduled for Thursday, May 16<sup>th</sup>.

**Adjournment:** The meeting was adjourned at 10:100a.m.